

COUNTY OF YORK



COUNTY ADMINISTRATOR
Daniel M. Stuck

VIRGINIA

BOARD OF SUPERVISORS

Walter C. Zaremba

District 1

Sheila S. Noll

District 2

Albert R. Meadows

District 3

James W. Funk

District 4

Jere M. Mills

District 5

November 10, 1999

Joseph E. Wallace
Dennis R. Pearce
York County Athletic Club
113 W. Woodland Road
Grafton, Virginia 23692

Dear Sirs:

Attached you will find materials relating to the proposal which you have submitted for the "York County Athletic Club". I had anticipated discussing this with you today during the meeting that was scheduled for 1:00 pm. Unfortunately, there appears to have been a misunderstanding regarding the schedule. I believe that you will find these materials to be self-explanatory. If you have questions, however, please feel free to call Anne Smith, who can be reached at 890-3880, or James Noel, IDA Director, at 890-3317. As you will see, your proposal has been reviewed and there are a number of areas that require additional information. Please contact Anne Smith, when you have assembled the materials and she will arrange a meeting for you with the County project review team. If we do not receive these items prior to November 30, 1999, I will conclude that you are no longer interested in proceeding with your proposal.

Sincerely,

Daniel M. Stuck
County Administrator

PC: Review Team Members



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113 W. Woodland Road
Grafton, Virginia 23692

Dear Sirs:

As you know, York County is currently reviewing the proposal that you have submitted for the establishment of a facility on publicly owned property on Rt. 134. In addition to use of the land, you have also requested a significant financial contribution in support of this project. We have identified a number of areas in the proposal for the "York County Athletic Club" that require either clarification or additional information. You will find an outline delineating those items attached. Please return the requested information to my office prior to November 30, 1999. With the exception of the conceptual site plan and the rendering of the building, items must be in writing. Please number and date the pages of your written materials.

We will discuss these issues with you at a meeting scheduled for 1:00 p.m. on November 10, 1999. If you have subsequent questions, please feel free to call me or contact A. B. Smith at 890-3880.

Sincerely,

Daniel M. Stuck
County Administrator

DMS:ABS

Attachment

PC: Review Team Members

YORK COUNTY IDA
November 1, 1999

COMMENTS/EVALUATION

York County Athletic Club (YCAC)
Business Plan
Amended July, 1999

At the request of the County Administrator, IDA staff and selected members reviewed the YCAC Business Plan for a proposed athletic club located adjacent to the new York County library. The Business Plan fails to provide adequate information in several areas to be fairly evaluated. In order to give this proposal proper consideration, there needs to be additional information provided primarily in the Marketing Plan, Projected Expenses and Projected Income. These data gaps are itemized below. Paramount among these gaps is information regarding construction costs, financing and tenant leases. There also needs to be a definitive statement regarding what services are provided under a general membership and how much will the tenant services cost a member. Finally, as this is a start-up venture and the owners do not have any direct experience operating this type of business, a detailed business plan is very important. The current business plan is not comprehensive and is missing several key elements. For comparative purposes a copy of the SBA's Business Plan for Small Service Firms is enclosed.

1. Marketing Analysis/Plan
 - a. Provide demographic data to define the market area and its growth potential.
 - b. Define the customer base and the YCAC's market share.
 - c. Provide needs assessment for the target population for specific recreational services/programs.
 - d. Evaluate the competition and their impact on your proposed market share.
 - e. Describe your market strategy and how it will be implemented.
 - f. Provide detailed marketing plan and budget.
 2. Cost/Expense Information.
 - a. Provide a preliminary construction cost estimate from a licensed general contractor.
 - b. Provide vendor quotes for all major equipment purchases or leases.
 - c. Provide a quote for business/facility insurance.
 - d. List all staff positions including wages, benefits and a brief job description.
 - e. Fully explain how the facility/business will be financed (total debt, term, interest rate, etc.) and provide a letter of interest from a financial institution.
 - f. If any of the facility is being financed by private investors, please identify the financing amount and the terms of repayment.
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- g. Identify secondary sources of repayment including personal financials if necessary.

3. Income Information

- a. Define how much space will be leased to each vendor and the anticipated lease terms. Include any agreements or proposals from targeted vendors. Explain how the projected monthly income figures were determined. Include projected number of users, income generated and the percentage that is returned to the YCAC if it is a service provided by an outside vendor.
- b. Please break out the amount of your income that will be applied to debt service.

4. Clear statement of the facility

Explanation of the site, exterior and interior, space allocation, and construction details

- a. Conceptual site plan
- b. Building rendering
 - 1. description of exterior materials and finishes
 - 2. demonstrate design compatibility with the York County Library
 - 3. signage must be identical with the Library
- c. Floor plan – larger scale, detailed and with room dimensions
 - 1. modify to reflect 10-lane pool as indicated in text of proposal
 - 2. total square footage
 - 3. square footage allocated for each interior activity space i.e. pool, gymnasium, exercise rooms, meeting rooms, locker rooms, offices, etc. identify square footage allocated for outside concessionaires, sub-contractors, etc. and define purposes

5. Miscellaneous

- a. Clearly explain what benefits and services are provided with a general membership.
- b. What are the projected fees to utilize all of the vendor services for:
 - 1. York County resident YCAC member
 - 2. Non-York County resident YCAC member
 - 3. York County resident non-YCAC member
 - 4. Non-York County resident non-YCAC member
- c. Provide the name and contact number for any professionals that are assisting you with this endeavor (legal, insurance, financing, accounting, etc.).

York County Community Center
York County Athletic Club Proposal
Confirmation of Details of Proposal and Additional Information Required

November 10, 1999

I. Clear statement of the facility

Explanation of the site, exterior and interior, space allocation, and construction details

- A. Conceptual site plan**
- B. Building rendering**
 - 1. description of exterior materials and finishes
 - 2. demonstrate design compatibility with the York County Library
 - 3. signage must be identical with the Library
- C. Floor plan** – larger scale, detailed and with room dimensions
 - 1. modify to reflect climbing wall and 8 lane pool as indicated in text of proposal
 - 2. total square footage
 - 3. square footage allocated for each interior activity space i.e. pool, gymnasium, exercise rooms, meeting rooms, locker rooms, offices, etc.
 - 4. identify square footage allocated for outside concessionaires, sub-contractors, etc. and define purposes

II. Financial Information

- A. Construction costs**
 - 1. provide cost estimates
 - 2. show furnishings and equipment costs
- B. Debt Service**
 - 1. detail costs to be financed
 - 3. explain the debt service and provide letters of intent from financing agencies
- C. Revenues/Expenditures**
 - 1. provide a complete description of the sub-contractor/concessionaire space
 - a. identify the sub-contractor/concessionaires and define the relationship with the YCAC
 - b. provide letters of intent
 - 2. provide a revised financial pro-forma that includes or corrects as needed
 - a. methodology for the membership
 - b. expenditure/revenue projections
 - c. description of the manner in which the project will be financed
 - 3. letters of intent from any concessionaires or sub-contractors that will be renting space in the building for the purposes of operating any programs
 - a. include rental/leasing fees and terms of agreements for the provision of services

III. Membership information

- A. Schedule of membership fees**

- B. Confirmation of services included in basic membership
- C. Identify which services at what charges for those not included in the basic membership

IV. Benefits to York residents

Provide a detail listing of those benefits, fiscal or programmatic that constitute sufficient justification for the investment of York County public resources in this project.

Examples of benefits include but are not limited to:

- Reduction in membership fees
- Waiver of initiation fees
- Set-aside time of pool use for York public school swim teams at no additional charges